

Monthly FERS annuity payments for letter carriers who retire on Dec. 1, 2021

The Federal Employees Retirement System (FERS) covers federal and postal employees hired on or after Jan. 1, 1984. FERS employees earn retirement benefits from three sources: the FERS Basic Annuity, Social Security and the Thrift Savings Plan.

An additional Special Annuity Supplement is paid to FERS annuitants who retire at Minimum Retirement Age (MRA) plus 30 years or more, or at age 60 plus 20 years or more. It is approximately calculated by taking an individual's Social Security age 62 benefit estimate, multiplied by the number of years of

FERS coverage, divided by 40. It is payable to age 62 and then ends. Social Security benefits are payable beginning at age 62.

The table below provides monthly basic annuity, survivor deduction and net annuity amount estimates for letter carriers who plan to take optional retirement on Dec. 1, 2021. Estimates are computed by using the given high-3 averages, which are based on the basic pay earned by full-time Step O carriers and vary by length of postal/military/federal service. Reduced annuity amounts reflect the difference between the given basic annuity and survivor reduction figures.

Years of Service ²	CC Grade 1 / High-3 Average ¹ : \$66,064			CC Grade 2 / High-3 Average ¹ : \$67,452		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,101	\$110	\$991	\$1,124	\$112	\$1,012
21	1,156	116	1,041	1,180	118	1,062
22	1,211	121	1,090	1,237	124	1,113
23	1,266	127	1,140	1,293	129	1,164
24	1,321	132	1,189	1,349	135	1,214
25	1,376	138	1,239	1,405	141	1,265
26	1,431	143	1,288	1,461	146	1,315
27	1,486	149	1,338	1,518	152	1,366
28	1,542	154	1,387	1,574	157	1,416
29	1,597	160	1,437	1,630	163	1,467
30	1,652	165	1,486	1,686	169	1,518
31	1,707	171	1,536	1,743	174	1,568
32	1,762	176	1,586	1,799	180	1,619
33	1,817	182	1,635	1,855	185	1,669
34	1,872	187	1,685	1,911	191	1,720
35	1,927	193	1,734	1,967	197	1,771
36	1,982	198	1,784	2,024	202	1,821
37	2,037	204	1,833	2,080	208	1,872
38	2,092	209	1,883	2,136	214	1,922
39	2,147	215	1,932	2,192	219	1,973
40	2,202	220	1,982	2,248	225	2,024
Each additional year ⁵	55.05	5.51	49.55	56.21	5.62	50.59

1. High-three averages for both grades (formerly levels) are for carriers who have worked full-time on a continuous basis between Dec. 1, 2018, and Nov. 30, 2021, at Step O (formerly Step 12).

2. Years of service includes any unused sick leave.

3. The reduction for survivor's annuity is the amount necessary to provide maximum benefits (50% of basic annuity) to a surviving spouse.

4. If covered by the NALC Health Benefit Plan, a further deduction of either \$491.06 per month if for self plus one (code 323), \$430.49 if for self and family (code 322), or \$205.47 if for self only (code 321) will be made. In addition, premiums for any coverage under the Federal Employees' Group Life Insurance Program will reduce the net annuity further.

5. Under FERS rules, there is no maximum allowable yearly annuity. However, given the FERS formula of 1% per year, it is highly unlikely that any FERS employee will ever exceed the 80% maximum limit under CSRS.

6. FERS employees who retire at age 62 or later with at least 20 years of service receive an additional 10% - their annuities are calculated at 1.1% times years of service times high-three average salary.